Amendments to the Claims:

This listing of claims will replace all prior versions and listings of claims in the application.

Listing of Claims:

1-25. (Canceled)

- 26. (Currently Amended) A method for manufacturing a slipper that includes an upper attached to an outsole, wherein the upper comprises an outsole attachment area attached to an outsole, a foot covering area, and a stabilizing member, wherein the stabilizing member is attached along the outsole attachment area to provide an insole receiving area between the stabilizing member and the foot covering area, the method comprising:
 - (a) placing an insole within the insole receiving area, the insole comprising a result of compression molding a structure comprising a foam layer having a first foam side and a second foam side, to provide an insole comprising:
 - (i) a heel region having a heel cushioning portion and a heel perimeter portion, wherein the heel perimeter portion comprises a retaining wall that extends above the top surface of the heel cushioning portion;
 - (ii) an arch region having an arch cushioning portion and an arch perimeter portion, wherein the arch perimeter portion comprises an arch support that extends above the top surface of the arch cushioning portion; and
 - (iii) a toe region having a toe cushioning portion and a toe perimeter portion; and
 - (iv) wherein the heel cushioning portion includes a first higher density foam
 area and a first lower density foam area, wherein the density of foam in
 the first higher density foam area is higher than the density of foam in the
 first lower density foam area.

- 27. (Original) A method according to claim 26, wherein the upper and the outsole are attached by stitching the outsole attachment area to an outsole retaining wall along a circumference of the outsole.
- 28. (Original) A method according to claim 26, wherein the insole comprises a laminate of the foam layer and a fabric layer having a first fabric side and a second fabric side, wherein the second fabric side is attached to the first foam side.
- 29. (Original) A method according to claim 26, wherein the step of placing an insole within the insole receiving area comprises adhering the insole to the stabilizing member.
- 30. (New) A method according to claim 26, wherein the first higher density foam area has a height that is less than a height of the first lower density foam area.
- 31. (New) A method according to claim 30, wherein a difference between the height of the first lower density foam area and the first higher density foam area is at least 1/16 inch.
- 32. (New) A method according to claim 30, wherein a difference between the height of the first lower density foam area and the first higher density foam area is at most 3/16 inch.
- 33. (New) A method according to claim 30, wherein the first lower density foam area is centrally located in the heel cushioning portion and the first higher density foam area surrounds the heel cushioning portion.
- 34. (New) A method according to claim 33, wherein the first lower density foam area is surrounded by a plurality of isolated lower density foam areas wherein the plurality of isolated lower density foam areas are separated from each other by portions of the first higher density foam area.
- 35. (New) A method according to claim 33, wherein the first lower density foam area is oval shaped.

- 36. (New) A method according to claim 26, wherein the toe perimeter portion does not include a retaining wall.
- 37. (New) A method according to claim 26, wherein the heel cushioning portion comprises a starburst pattern.
- 38. (New) A method according to claim 26, wherein the foam layer comprises ethylene vinyl acetate.
- 39. (New) A method according to claim 26, wherein the structure comprises a laminate of the foam layer and a fabric layer having a first fabric side and a second fabric side, wherein the second fabric side is attached to the first foam side.
- 40. (New) A method according to claim 39, wherein the fabric layer has a nap of less than 4 mm.
- 41. (New) A method according to claim 26, wherein the arch perimeter portion comprises a retaining wall that extends above the top surface of the heel cushioning portion.
- 42. (New) A method according to claim 41, wherein the retaining wall of the heel perimeter portion extends about 1/4 inch to about 1 inch above the top surface of the heel cushioning portion.
- 43. (New) A method according to claim 26, wherein the arch support extends about 1/4 inch to about 1 inch above the top surface of the arch cushioning portion.
- 44. (New) A method according to claim 26, wherein the arch support comprises a plurality of perforations for increasing the flexibility of the arch support.

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- 45. (New) A method according to claim 26, wherein at least one of the heel region, the arch region, and the toe region comprises a plurality of perforations for increasing air circulation.
- 46. (New) A method according to claim 45, wherein the heel region, arch region and toe region comprise a plurality of perforations for increasing air circulation.
- 47. (New) A method according to claim 46, wherein the insole comprises a perforation-free area, that is adjacent to the heel region, arch region and toe region.
- 48. (New) A method according to claim 45, wherein the arch region comprises a plurality of perforations and the perforations in the arch region are concentrated on and near the arch support.
- 49. (New) A method according to claim 45, wherein the toe region comprises perforations and the perforations in the toe region are concentrated near an end of the insole.
- 50. (New) A method according to claim 45, wherein the heel region comprises perforations and the perforations in the heel region are concentrated in the first lower density foam area.